

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1945 - SB 2140

February 18, 2018

**SUMMARY OF BILL:** Requires a local education agency (LEA) that unsuccessfully brings suit against the state to pay reasonable costs and expenses, including reasonable attorney fees, attributable to the Attorney General and Reporter's (AG) defense of the state.

**ESTIMATED FISCAL IMPACT:**

**Other Fiscal Impact – To the extent that an LEA unsuccessfully brings suit against the state, there will be a one-time increase in mandatory local government expenditures and an equal one-time increase state revenue to the Attorney General and Reporter. However, due to multiple unknown factors, the precise fiscal impact cannot be reasonably determined.**

Assumptions:

- Since 2015 there have been at least three suits by LEAs against the state.
- At least two of these suits, including appeals have lasted multiple years in duration.
- Assuming the requisite LEA is unsuccessful in their suit against the state, a multi-year suit could result in an increase in a mandatory one-time increase in local government expenditures as well as a one-time increase in state revenue to the AG.
- Due to unknown factors, such as the frequency of unsuccessful LEA suits, the amount of work hours put in by the office of the AG working on the requisite suit or suits, the exact timing of a suit's commencement, duration, and completion, and the amount of miscellaneous expenses related to the suit such as provisions related to depositions and court appearances, the precise fiscal impact cannot reasonably be determined.

*\*Article II, Section 24 of the Tennessee Constitution provides that: no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

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